IN THE BANKRUPTCY COURT OF THE UNITED STATES FOR THE WESTERN DISTRICT OF VIRGINIA LYNCHBURG (DANVILLE) DIVISION

IN RE: : CHAPTER 13

:

WILLIAM LEE FISHER : CASE NO. 14-61076

:

Debtor.

MARTINSVILLE DUPONT CREDIT UNION :

:

Movant,

:

v.

•

WILLIAM LEE FISHER

:

and

:

CHRISTOPHER T. MICALE, TRUSTEE

:

Respondents. :

MOTION TO TERMINATE, ANNUL, MODIFY OR CONDITION THE AUTOMATIC STAY

TO THE HONORABLE JUDGE:

Comes now your Movant, Martinsville Dupont Credit Union

(herein "Credit Union"), by counsel, and for its Motion To

Terminate, Annul, Modify Or Condition The Automatic Stay,

pursuant to §362 (d) of the United States Bankruptcy Code (the

"Bankruptcy Code"), respectfully represents as follows:

1. This is a core proceeding within the meaning of the Bankruptcy Code and Bankruptcy Rules.

- William Lee Fisher ("Debtor") filed a Petition seeking relief under Chapter 13 of the Bankruptcy Code on June 4, 2014.
- 3. Christopher T. Micale was appointed as Trustee and is currently acting in that capacity.
- 4. Credit Union waives the right to have the initial hearing in this matter scheduled within 30 days of the filing of this Motion and consents to the initial hearing being set on October 27, 2014, at 10:00 a.m.
- 5. At the time of the filing of the Petition, Debtor had an ownership and/or equitable interest in and to the following (collectively referred to as "the property"):
 - A. 307 Starling Avenue, Martinsville, VA 24112 (First Deed of Trust)
 - Payment Deed Of Trust Note in the original principal amount of \$56,000.00 on June 20, 2001, and MDCU is the holder of a properly-perfected security interest in the real estate. A copy of the Deed Of Trust and Note are attached hereto as Exhibits A and B and are made a part hereof.
 - As of August 20, 2014, Debtor, exclusive of legal fees and costs, and other charges payable, owed a

total approximate amount of \$34,837.87. This sum included \$34,394.46 in principal balance, \$393.41 in accrued interest for the time period of, approximately, April 30, 2014, through August 20, 2014, and \$50.00 in late charges for the time period of, approximately, April 30, 2014, through August 20, 2014.

- 3. As of August 20, 2014, exclusive of legal fees and any other charges accruing after that date, the arrearages due under the Note were approximately \$2,164.02, the Debtor being due for the March 31, 2014, regular payment. Regular payments due under the Note are \$394.32 per month.
- 4. In addition to the payment of principal, interest and other charges, the Note provides for the payment of reasonable legal fees. The current hourly rate for Luis A. Abreu is \$275.00.
- 5. The tax value of the real estate was \$137,300.00 as of approximately August 20, 2014. However, the condition of the property and Debtor's continuing default may mean that equity is speculative.

- 6. As of August 20, 2014, the per diem interest charge was \$3.2981.
- B. 413 Church Street, Martinsville, VA 24112 (Second Deed of Trust)
 - 1. Debtor executed a Deed Of Trust and Note in the original principal amount of \$26,000.00 on November 16, 2001, and MDCU is the holder of a properly-perfected security interest in the real estate. A copy of the Deed Of Trust and Note are attached hereto as Exhibits C and D and are made a part hereof.
 - 2. As of August 20, 2014, Debtor, exclusive of legal fees and costs, and other charges payable, owed a total approximate amount of \$9,463.32. This sum included \$9,302.36 in principal balance, \$114.18 in accrued interest for the time period of, approximately, April 30, 2014, through August 20, 2014, and \$46.78 in late charges for the time period of, approximately, April 30, 2014, through August 20, 2014.
 - 3. As of August 20, 2014, exclusive of legal fees and any other charges accruing after that date, the arrearages due under the Note

- were approximately \$1,163.10, the Debtor being due for the March 31, 2014, regular payment. Regular payments due under the Note are \$209.58 per month.
- 4. In addition to the payment of principal, interest and other charges, the Note provides for the payment of reasonable legal fees. The current hourly rate for Luis A. Abreu is \$275.00.
- 5. The tax value of the real estate was \$65,600.00 as of approximately August 20, 2014. However, the condition of the property and Debtor's continuing default may mean that equity is speculative.
- 6. As of August 20, 2014, the per diem interest charge was \$1.0194.
- 6. The Debtor is in default under the terms of the Notes and is knowingly and intentionally continuing to fail to make payments to Credit Union.
- 7. Debtor has not offered to adequately protect Credit Union.
- 8. There is little, if any, equity value in the property, and it is of burdensome value to the estate, and that after completing the foreclosure sale and paying all

amounts required to be paid to creditors and foreclosure expenses under Virginia law as a result of the foreclosure sale, that any remaining equity be paid to the Trustee.

WHEREFORE, Credit Union respectfully prays that upon a hearing on its Motion that, pursuant to Sections 362(d) of the Bankruptcy Code that the automatic stay be modified and that the Debtor be required to turn over the property to Credit Union so that it may foreclose on the subject property, that if any equity results from the foreclosure sale of the property, such equity should be required to be turned over to the bankruptcy estate, and that it be provided such further relief as is just.

MARTINSVILLE DUPONT CREDIT UNION
By Counsel

Counsel:

LUIS A. ABREU, Attorney at Law P.O. Box 1598 626 North Ridge Street Danville, VA 24543 Telephone: 434-791-4677 FAX: 434-791-4676

By /S/ LUIS A. ABREU
Luis A. Abreu
Virginia Bar ID No. 20996

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CERTIFICATE OF SERVICE

I, Luis A. Abreu, of counsel for Martinsville Dupont Credit Union, hereby certify that a true and correct copy of this Motion To Terminate, Annul, Modify Or Condition The Automatic Stay was mailed by first-class mail, postage pre-paid to:

William Lee Fisher, pro se 5697 Oak Level Road Bassett, VA

and was sent by electronic transmission to:

Christopher T. Micale Trustee P.O. Box 1001 Roanoke, VA 24005; and to

U.S. Trustee Office of the United States Trustee 210 First Street, Suite 505 Roanoke, VA 24011

this 22nd day of August, 2014.

/S/ LUIS A. ABREU_____

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NOTICE TO DEBTOR

If, within thirty days after receipt of this document, you do not dispute the amount of this debt, or any portion thereof, the undersigned will assume the debt is valid. If you dispute this debt or any portion thereof, upon written request within thirty days following receipt of this letter, the undersigned will obtain a verification of the debt and a copy of the verification will be mailed to you. Also, upon written request within thirty days of receipt of this letter, the undersigned will provide you with the name and address of the original creditor if different from the present holder of your debt obligations.

YOU ARE ADVISED THAT WE HAVE BEEN REQUESTED TO ENFORCE THE CREDITOR'S CLAIM AGAINST YOU. ANY INFORMATION OBTAINED FROM YOU MAY BE USED FOR THE PURPOSES OF ENFORCING THE DEBT.

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This Instrument was drafted by:

TMR/PIN:

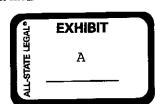
The Office of John W. Swezey, Esq. (Neme/Endity) [Space Above This Line For Recording Date] TAX PARCEL NO. 43(02)C/26,25B DEED OF TRUST THIS DEED OF TRUST ("Security Instrument") is made on the 20th day of June, 2001. The grantor is ("Borrower"). The trustee is WILLIAM L. FISHER ARTHUR EMBERSON a resident of the Commonwealth of Virginia, whose full residence or business address is , and DARRELL MINNIEAR Virginia 24113 a resident of the Commonwealth of Virginia, whose full residence or business address is Martineville, P. O. Box 2158 [Speet] , trustees (any one of whom may act and who are referred to as "Trustee"). The 24113 Virginia [Zip Code! MARTINSVILLE DUPONT CREDIT UNION , and whose address is which is organized and existing under the laws of the State of Virginia P. O. Box 2158, Martineville, Virginia 24113 ("Lender"). Berrower owes Lender the principal sum of FIFTY-SIX THOUSAND AND NO/100-). This debt is evidenced by Borrower's note dated the same date as this Dollars (U.S. \$56,000,00 Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and . This Security Instrument secures to Lender: (a) the repayment July 5, 2021 of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following , Virginia: described property located in the City of Martinsville

SEE ATTACHED SCHEDULE "A"

VIRGIRIA - Single Family - Fannie Mac Freddie Mac Uniform Instrument

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ITEM 1900 (0007)

which has the address of

307 Starling Avenue [Street]

Martinaville, [City]

Virginia

24112 (Zip Code) ("Property Address");

TOGETHER WITH all the improvements now or hereafter crected on the property, and all easements, appuntenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

- 1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.
- 2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Punds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground reats on the Property, if any; (c) yearly hazard or property insurance premiums, (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 at seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the History Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

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Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

- Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; accord, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.
- Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower. (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheid. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Leader shall have the right to hold the policies and renewals. If Leader requires, Borrower shall promptly give to Leader all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal

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residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so:

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

- S. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available. Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender required) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.
- 9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.
- 10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds

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multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Berrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the

Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such

payments.

- 11. Borrower Not Released; Fortiearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.
- 12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.
- 13. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.
- 14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lander's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.
- 15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.
- 16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

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17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand

on Borrower.

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument, or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Services unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the

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action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender or Trustee shall give to Borrower (and the owner of the Property, if a different person) notice of sale in the manner prescribed by applicable law. Trustee shall give public notice of sale by advertising, in accordance with applicable law, once a week for two successive weeks in a newspaper having general circulation in the county or city in which any part of the Property is located, and by such additional or any different form of advertisement the Trustee deems advisable. Trustee may sell the Property on the eighth day after the first advertisement or any day thereafter, but not later than 30 days following the last advertisement. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by advertising in accordance with applicable law. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property with special warranty of title. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, Trustee's fees of 5 % of the gross sale price and reasonable attorneys' fees; (b) to the discharge of all taxes, levies and assessments on the Property, if any, as provided by applicable law; (c) to all sums secured by this Security Instrument; and (d) any excess to the person or persons legally entitled to it. Trustee shall not be required to take possession of the Property prior to sale thereof or to deliver possession of the Property to the purchaser at the sale.

- 22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to release this Security Instrument and shall surrender all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.
- 23. Substitute Trustee. Lender, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.
- 24. Identification of Note. The Note is identified by a certificate on the Note executed by any Notary Public who certifies an acknowledgment hereto.

| 25. Riders to this Security Instrument, the covenar amend and supplement the covenants and Security Instrument. [Check applicable bo | ats and agreements of each such nide agreements of this Security Instrume | ed by Borrower and recorded together r shall be incorporated into and shall nt as if the rider(s) were a part of this |
|--|---|---|
| Adjustable Rate Rider | Condominium Rider | 1-4 Family Rider |
| Graduated Payment Rider | Planned Unit Development Ride | |
| Balloon Rider | Rate Improvement Rider | Second Home Rider |
| x Other(s) [specify] Adjustabl | | |
| NOTICE: THE DEBT SECURED HER BEING MODIFIED IN THE EVENT O | LEBY IS SUBJECT TO CALL IN F F SALE OR CONVEYANCE OF T | ULL OR THE TERMS THEREOF HE PROPERTY CONVEYED. |
| BY SIGNING BELOW, Borrower ac of this Security Instrument and in any rider | cepts and agrees to the terms and cov (s) executed by Borrower and records | enants contained in pages 1 through 8 d with it. |
| William L. Fisher | (Seal) -Borrower | (Sesi) Bosrowar |
| | (Scal) | (Seal) -Borrower |
| | | /SacD |
| | (Seal) -Borrower | (Scal) |
| Witness: | Witness: | |
| STATE OF VIRGINIA. | *** | KarCommonwealth at large, |
| The foregoing instrument was acknown | wiedged before me this the 20th | day of June, 2001 [date] |
| by William L. Fisher | | |
| | [person acknowledging] | |
| | Carolyn M. N | Nowy Pablic |
| | My Commission e | xpires: November 30, 2004 |
| | (Page 8 of 8 pages) | - Portus 90 47 9/90 GhaATLANIS (B To Close Call: 1-800-330-8380 □ Pos 618-791-1131 |

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ATTACHMENT - SCHEDULE "A"

Parcel No. 1: All that certain lot or parcel of land situated on the South margin of Starling Avenue, City of Martinsville, Virginia, and being bounded and described according to map of record in the City of Martinsville Circuit Court Clerk's Office in Map Book 6, page 97, as follows, to-wit:

BEGINNING at a stake on the South margin of Starling Avenue; thence with Starling Avenue 111.77 feet to a stake; thence leaving Starling Avenue, South 37 deg. 27 min. East 241.92 feet to a stake on the North Margin of alley; thence with alley, North 67 deg. East 65.04 feet to stake; thence North 26 deg. 22 min. West 250.02 feet to beginning.

Parcel No. 2: All that certain lot or parcel of land lying on the southeast side of Starling Avenue in the City of Martinsville, Virginia, and being known as Lot 25-B as shown on survey for Thenia L. Pannill and J. Curtis Vernon as prepared by J. A. Gustin, C.L.S., on December 12, 1980, and recorded in the City of Martinsville Circuit Court Clerk's Office, an described as follows, towit:

BEGINNING at a concrete monument on the southeast side of Starling Avenue at the southeast corner of Lot 26; thence with the line of Lot 26, South 39 degrees 50 minutes 04 seconds East 242.05 feet to an iron pin in the north line of a 25-foot alley space; thence with said alley space, South 29 degrees 37 minutes 49 seconds West 12.20 feet; thence with the line of Lot 25-A North 39 degrees 38 minutes 10 seconds West 244.75 feet to an iron pin on the southeast side of Starling Avenue; thence with Starling Avenue, North 41 degrees 39 minutes 18 seconds East 10.69 feet to the point of beginning.

| BEING the san | ne property con | veyed to | William 1 | L. Fisher b | y deed dated | the |
|-----------------|-----------------|----------|-------------|-------------|----------------|------|
| 6th day of Nove | mber, 1986, fro | om The E | state of Jo | ohn J. A. S | anders, Sr., J | ohn |
| J. A. Sanders, | Jr. and Barbar | a Ann S. | Ashby, (| Co-Execute | ors, of recor | d in |
| Deed Book | , page | of th | e City of | Martinsvil | lle Circuit C | ourt |
| Clerk's Office. | | | | | | |
| Clerk's Office. | | | | | | |

| wif | Initials |
|-----|----------|
|-----|----------|

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ADJUS' ABLE PAYMEN 'RIDER

ADRISTABLE PAYMENT RIDER is made this 20th day of June: 2001, # , and is incorporated into and shall med to smeed and supplement the Mortgage, Deed of Trust, or Deed to Secure Dibt (the "Security Instrument") of the same lives by the undersigned (the "Berrower's adjustable Psymiest Deed of Trust Note to the Martineville it Credit Union, Inc. (the "Lender") of the same date (the "Note") and covering the property described in the Security Instruad located at:

307 Starling Avenue, Martinsville, Virginia 24112

KOTE EVIDENCING THE INDEBTEIDNESS SECURED BY THE AFOREMENTIONED SECURITY INSTRUMENT AINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENTS:

FIGNAL COVENANTS - in addition to the covenants and agreements made in the Security Instrument, Borrower(s) and forther covenient and agree or follows:

PEREST RATE AND MONTHLY PAYMENT CHANGES

to provides for an initial interest rate of 3.73 %. Sections 2, 3, 4 and 5 of the Note provide for changes in the interest rate monthly payments as well as the option to extend, suspend or renegotiate monthly payments as follows:

2. INTEREST

(A) Interest Owed

Interest will be charged on that part of principal which has not been paid. Interest will be charged beginning on the data not made continuing until the full amount of principal has been paid.

Beginning on the date of this note, I (we) two interest at a yearly rate of \$.73.96. This is the base rate and shall remain a throughout the first one (1) year period of the total amortized life of this loan. The rate of interest I (we) one will change littered at the end of the first (1st) year of the total amortized period, which in this case is . 20 years; The rate of interest I to Will change on the 20th day of June. 202 By and on that day every twelfth (12th) month thereafter.

(B) The Index

The hereinabove referenced changes in the interest rate shall occur at the and of such twelfth (12th) month period, and angle in the interest rate shall be sufficient to come the laterest rate to agend the prevailing interest rate charged by the Crodit or similar mortgage loans, less any fees or surcharges in existence, on this twelfth mostle antiversary date. The rate of interest re required to pay that i never be increased on any single charge date by store than <u>two</u> percentage points. Parther, the rate will not be adjusted at any time during the period covered by this contract to a rate which similarly the base rate by more <u>ix</u> percentage points. My (our) interest rate shall never be greater than <u>11.75</u> %.

revientioned language is intended, and shall be so construed, as establishing a ceiling on the maximum allowable interest rate at any one time.

3. PAYMENTS

(A) Their and Phins of Priyments

I (we) will make my (our) monthly promines on the 5th day(a) of each month haginning on Assaut 5. 200125 ill make these promines every month until I (we) have paid all the principal and laborar and my offer charges hereinshove is that I (we) may over under this Note. If I (we) still over amounts under this Note on the assumity date, I (we) will pay those c in this are there dots.

I (we) will make my (our) induffly payments at the office of the Martineville DuPont Credit Union, at P. O. Box 2158, ville, Virginia, or at a different place if required by the Note Holder.

(B) Amounts of Monthly Payments

Subject to first rate change which shall occur at the end of the twelfth (12th) month, it is understood that my (our)
payments shall be Three Hundred Einty-four and 32/100—Dollars.

In the event that the interest rate is adjusted, then the Borrowates) agree to make payments in an amount inflicient to r the psyment and interestion in full of the total indebtodness owing issuesside in accordance with the originally established date as shown in Paragraph I. of the "Adjustable Payment Deed of Trust Note."

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4. BORBOWER'S RIGHT TO REPAY

Borrower(s) may propary the principal amount outstanding in whole or in part. Should the Borrower(s) also in pay off loan within the first 60 mobiles of the amountand life then the Lender, Martineville DuPont Credit Union, inc., may in its discretionary of the amountained substituted payments, it is like within the discretion of the Lender as to whether or not the aforesaid prepayment penalty shall be collected, and in what most

Upon the expiration of 60 months of the americal life of this loss, their Martinsville DaPont Credit Union, life, shall not array circumstances have the right or privilege of collecting my prepayment pointly whatmover, and upon the expiration of the examtioned time period (in this instance 60 months) then the Borrower(s) shall have the express right to pay off the their implies indebtedness in whole or in part without the lawy of my prepayment penalty.

5. LENDER'S OPTION TO EXTEND, SUSPEND, OR RENEGOTIATE MONTHLY PAYMENTS HEREUNDER

It is expressly understood by the parties hereto that Martinoville DuPout Credit Union, Inc., shall have the option of riding the Borrower(s) with an extension of time within which to make any one or more of the above achebuled payments. In tion, Leader shall have the express option of suspending say one or more of the aforemantioned payments upon being familiated of of any adequate and justifiable reason warranting such asspection and upon due and timely request made by the Borrower(s) is. Further, should the Borrower(s) be inid off for either health or business reasons, or should Borrower(s) find (kinnelly self) (themselves) working short time, the Leader shell have the option of reworking and reasonabling the serms and conditions spayment invaluables of forth under Paragraph 1.

B. TRANSFER OF THE PROPERTY: ASSUMPTION

for any pairt of the property or any interest therein is sold or transferred by the Borrower without Lender's prior written consent, ading (a) the creation of flets or encumbrance subordinate to this Security Instrument which does not relate to a transfer of right companies in the property; (b) the creation of a purchase motivy security instrument for household appliances; (c) a transfer by devise, and or by operation of their specific death of a joint tenant or (d) the grant of any leasehold interest of three years or less not saining an opition to purchase, Lender may at Lender's option, declare all the name secured by this Security Instrument to intendrity due and payable.

moder exercises such option to socialerate, Lander shall mail Borrower notice of socialeration. Such socialerate provide a period of less than thirty (30) days from the date the notice is middled within which Borrower may pay the same declared day. If news falls to pay such same prior to the expiration of such period, Lander may, without further notice or descand on Borrower, two any remailers permitted by here.

let may comment to a sale or transfer. if: (1) Bondwar causes to be infinitised to Leader information required by Lettler to rise the transferor as if a new loan were being made to the transferor; (2) Lander reasonably determines that Lender's accurity not be impaired and that the risk of a branch of any covenant or agreement in this Security Instrument is acceptable: (3) interest be payable on the seems secured by this Security Instrument at a rate subspicible to Lender; (4) changes is the tense of the Note his Security Instrument required by Lender are made, including for sommile, periodic adjustment in the interest rate, a different payament due for the form, and addition of unput interest to principal; and (5) the transferor signs an assemption agreement that obligates the transferor to keep all the promises and agreements unde in the Note and in this Security unable, as modified if required by Lender. To the actual permitted by applicable law, Lender also may charge a reasonable for condition to Lender's comment to any sale of transfer.

I'ver will continue to be obligated under this note and Security Instrument unline Leader releases Borrower in writing.

C. LEGISLATION

her the diste hiereof, suscement or expiration of applicable have here the effect either or readering the provisions of the blots, the rity instrument or this Adjustable Rate Rider (other than this Paragraph C) unanforceable according to their terms, or all or any of the sums secured hereby uncellectable, as ediarroles provided in the Security Instrument and this Adjustable Rate Rider, or of tiening the value of Eucoles's selectible, as ediarroles provided in the Security Instrument and this Adjustable Rate Rider, or of tiening the value of Eucoles's selectible, as ediarroles at Lander's option, may declare all sense secured by the Security Instrument immediately due she physiole.

IN WITNESS WHEREOF, Borrower(s) has (bave) emerged this Adjustable Payment Rider the day and year first above.

| William of Jahor | (SEAL) |
|--|--------|
| Alliller F. Annuer | (SEAL) |
| INSTRUMENT #0100765 | (SEAL) |
| HARTHREVILLE ON JUNE 20, 2001 AT 03:51PM | (SEAL) |
| BY: Chowle of White. | r Alty |

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EXHIBIT

ADJUSTABLE PAYMENT DEED OF TRUST NOTE

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENTS

| | adartinaville, Virginia | |
|---|--|----------------------------|
| | June 20, | 26 O1 |
| | e · | |
| OBLIGATION OF BORLOWER(S) Rich value sendand, the includence. VILLIAN L. FISH | a. | |
| Pit value received, the understand HILLIAN L. FASH jointly and severally promise (a) to pay to the Martinevilla Dupont Res | | office the misched |
| sum of FIFTY-SIX THOUSAND AND NO/100- | Dollars (5 56 , 000 | .00 |
| with interest from dote at the rate of Live - Black and of | CERLIND (5-75 R) per away | nn on the unpeid |
| balança until pald. The said principal and interest shall be pay | rable at the office of the Martineville [| Suponi Rimployees |
| Credit Union, inc. P. O. Bos. 2158, Martineville, Vieginia Three Bandred Rincy-Four and 32/100- | , in successive and constructive mouth; | installments of Dollars |
| (\$394.32), commenting on the 5th | day of August 20.0 | |
| 5th day of each mouth the telefit the principal and lasts | not are fully paid, except the the entire inde | budnes evidenced |
| hereby, if not soome pild, shall be deered payable on the | day of | 20. 21 |
| INTEREST | | |
| (A) Interest Gred | | |
| Interest will be charged on that part of principal which has not been p | aid. Liverest will be charged beginning on t | fac date of this sots: |
| and continuing will the full amount of principal has been puid. | | |
| Diginning on the dose of this nam, I (we) will one interest at a yearly ru | in par (5.75 , 45) phile le the head rive and ah | all recial parthective |
| decomposes the first one (1) year seried of the total amortised life of | | |
| edjusted as the end of the first year of the total amortized period, which | in this case is twenty (20) years. | The race of intercet |
| I (we) own will change on the 20th of the month of June | 2002 and on the | a day every twelfile |
| month thericalsi. | | · · - |
| (B) The Index | | |
| The best in shove re by enough changes in this inseriest rate shall occur at | the end of each swelfth (12th) month seiloi | l, and such charges |
| in the inverses reso stall be sufficient to count the interest rate to equal | the gravailing inspect charged by the Cost | it. Union en similië |
| morigage loans, less any fees of succineges in existence; on the systill | h (12th) moreh until priving falls. The rate b | f interest ((we) are |
| required to pay shall never increase on any single change data by same | | |
| not be adjusted at any time during the period covered by this contenet | e a rate which execute the lime sate by more | i filer ar ól jistésejt |
| I (we) will ome will stange or buildinged at the end of the first year o | I the total amortised period, which in this ce | se u <u>Phē</u> |
| (6.) percentage points. My (our) Interest rule shall never be greater | | |
| The aftermantiqued language is instructed, and shall be no construct, a | s esmblishing a celling on the maximum all | owable interest rate |
| changest any one thee. | · | |
| PAYNABIN'IS | | |
| (A) Time and Place of Payments | | |
| I (we) will pay principal and lessour by making payments every stood | L. My (our) succeedily payments will be applie | ed to interest before |
| principal. | | |
| I (win) will registrate (over) mountally payments on the 5th day of a | ack month beginning on August 5, | 20 01 |
| 1 June 18 June also many recent recent from the color could | all the interpret and interest and sult down. | charges harricultu |
| described that I (we) may one make this Note. If I (we) still owe into | sants under elife Note on the state ity date. I | (Mo) will buy moss |
| accounts in full on that date. | | |
| I (we) will make my (our) monthly payments at the office | of the Martinsville Dupont Employees | Credit Maion, Isc |
| at P: O. Box 2158, Martinsville, Virginia 24113, or at a diffe | rest place if required by the Note Hole | der. |
| (R) Amount of marship severage. | | |
| Subject to the flux rate change which shall occur at the end of the Three Bondred Minry-Sour and 32/100 | one yest, it is understood that my (tips) mos | ddy payaraalu siall |
| be Three Bundred Misry-four and 32/100- | | doBers |
| To the an are the state of the | ماد مالا میگر بنینزالیا به منسلم الاوران و شهر بنتی بیر بنام میسوند. | image stad settlefter time |

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i, BORROWER'S RIGHT TO PREPAY

Berrower(s) may propey the principal enument constanting in whole or in part. Should the Borrower(s) elect to pay off the load within the first 60 meanin of the americand life then the Lender, Martingville DuPont Credit Union, Inc., may in its discretion, charge a 2% propayment possity on my and all payments made over and above the aforementioned scheduled payments. It is totally within the discretion of the Lender as to whether or not the aforesaid prepayment possibly shall be collected, and in what incances.

Upon the expiration of 60 months of the amortized life of this loan, then Mainteaville DisPoint Credit United that shall not under thy circumstances have the right or privilege of collecting may propayment penalty whitecover, and upon the expiration of the aforementioned time period (in this instance 60 months) then the Berrowin(s) shall have the express right to pay off the then contranding indebtedram in whole or in part within the lovy of any prepayment panalty.

LENDER'S OPTION TO EXTEND, SUSPEND, OR REVEGOTIATE MONTHLY PAYMENTS HERBUNDER

It is expressly understood by the parties bester that Martinevitta Dupont Employees Cradit Union, Inc. shall have the option of providing the Beccower (s) with an econosion of time within which in make any one or more of the above schoolsed payments. In hiddelien, Luiser shall have the exprise option of suspending any one or more of the aforecasotioned payments inon being furnished proof of an adaptees and juicifiable reason warmening such suspension, and upon the and timely requise made by the Borrownf (4) hospin. Further, about the Borrower (s) be laid off for alther health or business reasons, or should Borrower (s) find (birnaelf) (burnalf). (themselves) working short time, then the Leader shall have the opition of reworking and supeguiaring the turns and conditions of represent bereinshove set forth under Paragraph 1.

Not witherinding such extension, supposition or rangeolation of the payment as aforesaid, the within Mose, as well as the Dood of Tries executed conferencements by becomes the half to be supposed to be begunded by the supposed of the payments and office, and shall be beguly binding; and upon the happening of any of the aforesaid events, it shall not be accessary for this Borrower (i) no respective new instruments or documentation setting forth such modifications.

DEFAULT

If defined he made in the payment of any installment under this Note, the entire principal sum and accrived interest shall at each become due and payable without police at the cipales of the holder of this Note. Faithers to exercise this option shall not constitute a waiver of the right to exercise the princ in the event of any subsequent default. Somewar (a) shell pay to the Note holder a late charge of five (5) percent of any monthly installment and received by the Blora holder within um (10) days after the installment is due.

| ب طد | UK | и | ж, | U) | ж | ; 3 |
|------|------|---|--------|-----|---|-----|
| | **** | _ | | - " | | |

First Deed of Trust of even date berewith, on property located in the City This Note is pround by a. and the State of Virginia so the Martineville Dupont Reployeet Crisit CHREST Martinsville Union, Jac, conveying curtain real minute sharein described. The terrar, coverages, conditions, provides stipulations and agreented. in said Deed of Trust contained are hereby made a part bire of to the same extent and with the same effect so if the same were fully est forth herein.

PRESENTMENT, PROTEST AND NOTICE WAIVED

Presentment, Notice of Dishonor, and Project are hereby waived by all-miners, sureties, guintétois and indorsem herhof. The drawers and emborates of this Plans also major the beselfs of the homestead examption as to this dels. This Note shall be the joint and savoral obligation of all maters, surelies, generators and endorsers, and shall be blading upon on them and their successors and analgas.

ATTORNEY'S FEES

If this Note is not paid at meterity, and is collected by seit or Attorney, the makers and sudoriers hereof agree to pay, to addition to - Core animeter with continuable Attorney's foot.

| Address_ | 5697 Oak Level Road | William J. John 1884 |
|----------|---|---|
| | Bassett, VA 24055 | (SEAL |
| | | |
| | This is to certify that this is the Adjustable Payme ten June 20 20 10 | et Dend of Treet Note described in and poured by a Deed of Tree in property located in Harringville Virginia |
| 1 | My Concission expires: 11/30/04 | |

Carcles M. M.

Carolyn H. Neighbor

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This Instrument was dealed by:

THR/PIN:

The Office of

John W. Sweez, Attorney at Lav

Tax Mab ID: 34 3 A 10

Dage Above This Line For Rected DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on the 16th day of November, 2001 WILLIAM L. FLEHER The erentor is

("Borrower"). The trustes is

ARTHUR EMBERSON

a resident of the Commonwealth of Virginia, whose full residence or business address is

P. O. Box 2158,

Virginia

, sed

DARRELL MINNIEAR

a resident of the Commonwealth of Virginia, whose full residence or business address is

Box 2158,

Virginia

, truspess (any one of which may not and who me referred to as "Trustee"). The

beneficiary is MARTINSVILLE DUPONT CREDIT UNION which is organized and existing under the laws of the State of Virginia P. O. Box 2158, Martinsville, Virginia 24113

, and whose address is

("Lender"). Bottower owes Lender the principal sum of

TWENTY-SIX THOUSAND AND 00/100--). This debt is evidenced by Burrower's note dated the same date as this Dollars (U.S. \$ 26.000.00 Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not peld earlier, due and . This Security Instrument secures to London (a) the repayment payable on December 1, 2016. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all reaswals, extensions and modifications of the Note; (b) the payment of all other some, with interest, advanced under paragriph 7 to protect the secority of this Security listrument; and (c) the performance of Borrover's coverants and agreement under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following Martineville described property located in

SEE ATTACHED SCHEDULE "A"

VIRGINIA - Single Parily - Finale MacTroldie Mac Uniform Instrument

(Page 1 of 5 pages)

GALATA To Great Gall: 1-885-439-4380C Fix 514.

ALL-STATE LEGAL

(Light John Spins)

EXHIBIT C

which has the address of

413 Church Street, Sweet

Martineville.

Virginia

24112 (Zip Code) ("Property Address");

TOGETHER WITH all the improvements now or bemailter eracted on the property, and all easements. apparentences, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Berrower is lawfully select of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is menicumbered, except for endumbrances of second. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encombrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants

with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIPORM COVERANTS. Borrower and Lander covenant and agree as follows:

1. Payment of Principal and Leterest; Propagatest and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any propayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Londer, Borrower shall pay to Lunder on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may sitain priority over this Security Instrument as a lien on the Property; (b) yearly leasonoid payments or ground rests on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums psychile by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Barrow Roms." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lander for a federally related mortgage loss may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as smended from time to time, 12 U.S.C. \$2601 at seq. ("RESPA"), unless snother law that applies to the Funds sets a lesser amount. If so, Leader may, at any time, collect and hold Funds in an amount not to exceed the losser smooths. Leader may estimate the amount of Punds due on the besis of current data and reasonable estimates of expenditures of fature Becrow Items or otherwise in accordance with applicable law,

The Pands that he hald in an institution whose deposits are insured by a federal egenty, instrumentality, or eatify (including Lender, if Lender is such an institution) or in any Federal Home Long Bank. Lender shall apply the Funds to pay the Becrow Rems. Leader may not charge Borrower for holding and applying the Punds, annually analyzing the escrow account, or verifying the Bacrow Rome, unless Lander pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Bornower to pay a one-time charge for an independent real estate tax reporting service used by Leader in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Pands. Lander shall give to Bostower, without charge, an annual accounting of the Funds, showing credits and debits to the Pentis and the purpose for which each debit to the Pends was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lander exceed the amounts permitted to be held by applicable law, Londer shall account to Borrower for the excess Paseds in accordance with the requirements of applicable law, If the amount of the Funds haid by Lander at any time is not sufficient to pay the Escrow Stone when due, Lander may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Reprover shall make

up the deficiency is no more than twelve monthly payments, at London's solo-discretion.

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Upon payment in full of all some secured by this Security Instrument, Leader shall promptly religid to Borrower any Punds held by Lander. If, under paragraph 21, Lander shall acquire or sell the Property, Lander, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender moder paragraphs 1 and 2 shall be applied: first, to any prepayment charges due moder the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last; to any late charges due under

Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain princity over this Security Instrument, and less shold payments or ground rents, if any: Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly familia to Leader all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish

to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lieu which has priority over this Society Instrument valess Borrower: (a) agrees in writing to the payment of the obligation secured by the lieu in a massier acceptable to Lander, (b) contacts in good faith the lien by, or defends against enforcement of the lies in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lich; or (c) secures from the holder of the lieu an agreement satisfactory to Lander subordinating the lien to this Security Instrument. If Lander determines that any part of the Property is subject to a lien which may stain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall extisfy the lies or take one or more of the actions set forth above within 10 days of the giving of notice.

S. Heared or Property Insurance. Borrower shall keep the improvements now existing or limesiter erected on the Property beared against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance certier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasceably withheld. If Borrower falls to maintain coverage described above, Leader may, at Leader's option, obtain coverage to protect Leader's rights in the Property

in accordance with tierapratis 7.

All insurance politics and renewals shall be seceptable to Lender and shall include a standard morigage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Bosrowin shall promptly give to Leader all receipts of paid premiums and removal notices. In the event of loss, Bostower shall give prompt notice to the

insurance cataler and London London may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise steres in writing, insurance proceeds shall be applied to restoration or repair of the Property demaged, if the restoration or repair is economically feasible said Londor's security is not lessened. If the restoration or regals is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the same secured by this Security Instrument, whether or not their due, with any excess paid to Boxrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lander that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Leader and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lander, Borrower's right to any insurance policies and procueds resulting from damage to the Property prior to the sequisition shall pass to Leader to the extent of the sums

secured by this Society Instrument immediately prior to the acquisition.

Occupancy, Preservation, Maintenance and Protection of the Property; Borrows 's Lean Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal sesidence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal Page 3047 9/90

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residence for at least one year after the date of occupancy, unless Leader otherwise agrees in writing, which coasean shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to describe the commit waste on the Property. Borrower shall be in default, if any forfeiture action or proceeding, whether civil or criminal, is begun that in Leader's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may core such a default and reinstate, as provided in paragraph 18, by causing the action or preceeding to be dismissed with a ruling that, in Lender's good faith determination, precipiles forfeiture of the Borrower's interest in the Property or other material impairment of the lies. created by this Security Instrument or Londor's security interest. Borrower shall also be in default if Borrower, during the loss application process, gave meterially false or inaccurate information or statements to Lender (or felled to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a Jessehold, Borrower shall comply with all the provisions of the lease. If Borrower sequires fee title to the Property, the bisechold and the fee this shall not margis unless Lender agrees to the margier in writing.

7. Protection of Lender's Biglits in the Property. If Borrower falls to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Londor's rights is the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Leader may do and pay for whatever is necessary to protect the value of the Property and Leader's rights in the Property. Leader's actions may include paying any same secured by a lieu which has priority over this Scourity Instrument, appearing in court, paying reasonable attorneys' feet and entering on the Property to

make repeirs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lander under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, those amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Leader to

Borrower requesting payment.

3. Meetining Insurance. If Lander required mortgage insurance as a condition of making the loss sectored by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage facurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substractionly equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lander. If substantially equivalent mortgage insurance coverage is not available, Bustower shell pay to Lender each month a sum equal to enectweigh of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapted or cested to be in effect. Lender will accept, use and retain these payments as a loss sessive in lieu of mortgage insurance. Loss merve payments may no longer be required, at the option of Lander, if mortgage insurance coverage (in the amount and for the period that Leader sequires) provided by an insurer approved by Lender again becomes available and is obtained. Becrower shall pay the premiums required to insintale mortgage insurance in effect, or to provide a loss receive, wetil the sequirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. Inspection. Leader or its agent may make residuable entries upon and inspections of the Property. Leader shall give Borrower notice at the time of or prior to an inspection specifying remocushic cause for the inspection.

10. Condemnation. The processis of my sweet or claim for desinger, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are

good and shall be paid to Leader. hereby ass

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Scourity Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property is which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds

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multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or milese applicable law otherwise provides, the proceeds shall be applied to the sums accured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notion by Lender to Betrower that the condemnor offers to make an award or settle a claim for damages, Borrower falls to respond to Londor within 30 days after the date the notice is given, Leader is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the

Property or to the sums accored by this Security Instrument, whether or not then due.

Unless Leader and Boscower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such

payments.

11. Berrower Not Released; Ferberrance By Londor Not a Walver: Extension of the time for payment or modification of smortization of the sums secured by this Security Instrument granted by Lander to say successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Leader shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the stems section by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lander in exercising any right or remady shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Linbsity; Co-signers. The covenants and agreements of this Security Instrument shall blad and benefit the successors and assigns of Londor and Romower, subject to the provisions of paragraph 17. Bombwer's covenants and agreements shall be joint and several. Any Bomower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Secticity Instrument; (b) is not personally obligated to pay the stime secured by this Security Instrument; and (c) agrees that Lander and any other Borrower may agree to extend, modify, forester or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

13. Lean Charges. If the loss secured by this Security Instrument is subject to a law which sets maximum loss charges, and that law is finally interpreted so that the interest or other loss charges collected or to be collected in connection with the loan exceed the permitted limits, then: (2) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any spins already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Leader may choose to make this refund by reducing the principal gued under the Note or by making a direct payment to Borrower. If a radical reduces principal, the reduction

will be treated as a partial prepayment without any propayment charge under the Note.

16. Netices. Any notice to Regrower provided for in this Scourity Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another mathod. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Leader. Any notice to Leader shell be given by first other mail to Lander's address stated harein or any other address Lander designator by notice to Borrower. Any notice provided for in this Spensity Instrument shall be deemed to have been given to Börrower or Lender when given as provided is this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shell not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument

and the Piote are declared to be severable.

16. Borrower's Copy: Borrower shall be given one conformed copy of the Note and of this Security Instrument.

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17. Transfer of the Property or a Beneficial Interior in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exactled by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower falls to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand

on Bostower.

18. Borrower's Right to Reinstein. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property puritant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument and the Note as if no acceleration had occurred; (b) came my definale of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' four; and (d) takes such action as Leadily may reasonably require to assess that the lieu of this Security Instrument, Leader's rights is the Property and Borrower's obligation to pay the same secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully affective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Notes Change of Loan Services. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Services") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Services unrelated to a sale of the Note. If there is a change of the Loan Services, Borrower will be given written notice of the climage in accordance with paragraph 14 shows and applicable law. The notice will state the name and address of this new Loan Services and the address to which payments should be made. The notice will also contain any other information required by applicable law.

28. Historileus Substances. Borrower shall not cause or permit the preschoe, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized

to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, inwest or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remodiation of any Hazardous Substance affecting the Property is accessary, Borrower shall promptly take all necessary remodial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, knowene, other flammeble or toxic petroleum products, toxic petroleum petroleum petroleum products, toxic petroleum petr

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration: Remedies. Londor shall give notice to Berrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the

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action, required to cure the default; (c) a date, not less than 36 days from the date the notice is given to Borrower, by which the default must be cared; and (d) that follows to care the default on or before the date specified in the notice may result in acceleration of the stans setured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to relastate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and made into default is not cared on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further desaund and may invoke the power of sale and any other remedias paralited by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedias provided in this paragraph 21, including, but not limited to, reasonable atterneys' fees and copts of title evidence:

If Landar involves the power of sale, Landar or Trustee shall give to Berrower (and the owner of the Property, if a difficunt person) notice of sale in the manner prescribed by applicable law. Trustee shall give public notice of sale by advertising, in accordance with applicable law, once a week for two succassive weeks in a newspaper having peniral circulation in the county or city is which any part of the Property is located, and by such additional or may different form of advertisement the Trustee delines adviable. Trustee may sell the Property on the eighth day after the first advertisement or any day thereinfore, but not later than 36 days following the last advertisement. Trustee, without demand on Berrower, shall sell the Property at public auction to the highest hidder at the time and piece and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determints. Trustee may postpone only of all or any prival of the Property by advertising in accordance with applicable law. Lunder or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property with special warranty of title. The recitals in the Trustee's shall shall be prime facile evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not fimited to, Trustee's face of 5 of the grees sale price and reasonable atterneys' face; (b) to the discharge of all tenses, levies and assumements on the Property, if any, as provided by applicable law; (c) to all some accuracy by this Security Instrument; and (d) any excess to the persons or persons legally entitled to it. Trustee shall not be required to take possession of the Property prior to sale thereof or to deliver possession of the Property to the purchaser at the sale.

22. Release. Upon payment of all some secured by this Security Instrument, Leader shall request Trustee to release this Security Instrument and shall someoner all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall release this Security Instrument without charge to Berrower. Betrewer shall pay any recordation costs.

25. Substitute Trustee. Leader, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, this successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

24. Identification of Note. The Note is identified by a certificate on the Note executed by any Notary Public who certifies an acknowledgment heate.



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| | sment. If one or more riders are executed b | |
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| smend and supplement the covenants at Security Instrument. (Check applicable t | q stickness of this Scork's Hermanies of | if the rider(s) were a part of this |
| Adjustable Rate Rider | Condominium Rider | 1-4 Family Rider |
| Graduated Payment Rider | Plannet Unit Development Rider | Biweekly Payment Ricer |
| Balloca Rider | Rate Improvement Rider | Second Home Rider |
| x Other(4) (spotify) Adjustabl | meny to consuce to call: In Full | L OR THE TERMS THEREOF |
| BEING MODIFIED IN THE EVENT | DE SVER ON COMARIANCE OF 1999 | |
| BY SKINING BELOW, Boltower of this Security Listrement and in any tid | scripts said agrees to the terms and coverse or(s) executed by Borrower and received wi | ati contained in pages I through 8 th it. |
| W. Clean Fisher | | (Sical) |
| William L. Fisher | -Satisfami | (Sect) |
| | (Soal) -Berrower | Somewor |
| i . | (Šci) | -Benjust |
| Witnest: | 'Witness: | |
| STATE OF VIRGINIA, COMMUNICATION AT LARGE The foregoing instrument was acknowled | Constant | f November, 2001 |
| by William L. Pisher | [passer astrove-ladging] | |
| A CONTRACTOR OF THE PROPERTY O | | • |
| | Carolyn X. Bei | |
| | My Commission expire | s: November 30, 2004 |
| magnification of the second of | · | |
| crona vida (1888) | (Page 8 of 8 piges) | To CONTROL 1-404-520-5162(27)(676-579-416) |

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ATTACHMENT - SCHEDULE "A"

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All that certain lot or percel of land, together with the improvements thereon and appartenances thereunto appartaining, belonging and situated in the City of Martinsville, Virginia, and being Lot #10 on map of property of Annie W. James, prepared by Moore and Gregory, Surveyors, in October, 1923, recorded in Map Book 1, page 3, of record in the Circuit Court Clerk's Office of Martinsville, Virginia, and more recently shown on plat of survey for Carla R. Hankins, prepared by Larry O. Rakes, L.L.S., dated April 26, 1999, of record in the aforesaid Clerk's Office; and,

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RECORDED IN THE CLERK'S OFFICE OF
HARTINGVILLE ON
HOVEREER 15: 2001 AT 12:09PH
AMBY R. PRITCHETT, CLERK
BY: (OC)

ADJUSTABLE PAYMENT RIDER

THIS ADJUSTABLE PAYMENT RIDER is stude this 16th day of Boyesber , 20 01, and is incorporated late and shall be deemed to entend and supplement the Mortgage, Dand of Trust, or Deed to Secure Debt (the "Beturity Listrium's") of the same date given by the undersigned (the "Between") to secure Borrower's Adjustable Payment Deed of Trust Note to the Martineville DePont Credit Union, Inc. (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

413 Church Street, Martineville, Virginia 24112

THE NOTE EVIDENCING THE INDEBTEDNESS SECURED BY THE AFOREMENTIONED SECURITY INSTRUMENT CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENTS:

ADDITIONAL COVENANTS -- In addition to the evidence and agreements made in the Security Instrument, Borreworfs) and Lander further covenant and agree to follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES.

The Note purplies for an initial interest rate of 3.25 %. Sections 2, 3, 4 and 5 of the Note provide for changes in the interest rate and the mentily payments, so wall as the option to extend, suspend or reasonable monthly payments.

2. INTEREST

(A) Interest Owel

Interior will be charged on that part of printipal which has not been paid. Interest will be charged beginning on the date of this Note and continuing with the full amount of principal has been paid.

(3) The lider

The hershabove referenced changes in the interest rate shall occur at the end of each tweleth (12th) mouth period, and such changes is the interest rate shall be sufficient to cause the interest rate to equal the prevailing interest rate charged by the Credit Union on challer meridges loans, less any flies or simplicity in a calciance, on the tweleth month enclosurery date. The rate of interest I (we) are required to pay shall never be formanted on any single change date by more than two (2) percentage points. Further, the interest rate will not be adjusted at any third day the day the day the description of the period covered by the contract is a rate which exceeds the base rate by more than a late, percentage points. My first out the same is a second or the late of the la (our) interest rate shall never be greater than _11.25_%.

The aforementioned language is intended, and shall be so construed, as establishing a celling on the maximum allowable luterest rate change at any one time.

3. PAYMENTS
(A) Time and Place of Payments.

I (we) will make my (only mathly payments on the <u>let</u> day of each mouth beginning on James — 20 mg. I (we) will make these payments every minuth until I (we) have pickle all the principal and interest and any other charges bereinsbove departed that I (we) may over major this Note. If I (we) still owe amounts under this Note on the materity date, I (we) will pay those amounts in full on that date.

I (we) will make my (our) meaning payments at the office of the Martineville DuPont Credit Union, at P. C. Bez 2155, Martineville, Virginia, or at a different place if required by the Note Holder.

(B) Agreement of Monthly Payments if not to first rate change which shall occur at the and of the twelfth (12³) month, it is understood that my Thirty (our) monthly payments shall be The MRIPERD WINE AND 58/100-----

In the event that the interest rate is adjusted, then the Borroway(s) agree to make payments in so smoont sufficient to allow for the payment and ratiofication in Apil of the total indebteduent owing hereunder in accordance with the originally attablished spatniffly date as shown in Paragraph 1 of the "Adjustable Payment Dood of Trust Note.*

4. BORROWER'S RIGHT TO PREPAY Berrower(e) may proper the principal amount orthinhiling in whele or in part. 5. LENDER'S OPTION TO EXTEND. SUSPEND. OR RENEGOTIATE MONTHLY PAYMENTS

It is expressly understood by the parties berein that Martherville Dullout Credit Union, line., shall have the option of providing the Berrower(s) with an extension of time within which to make any one or more of the above scheduled payments. In addition, Lander shall have the express option of suspending any one or more of the informational payments upon being farabiled proof of any adoption and justificial reason warranting such analysis and upon done and though request made by the Berrower(s) herein. Forther, should the Berrower(s) be intended playing the beautiful payment (thousand) working short time, the Lander shall have the option of reworking and reasonables the terms and conditions of represent ersteed by the parties berete that Mertherville Dullout Credit Union, line., shell have the hove sid firth under Paracrich 1.

S. TRANSFER OF THE PROPERTY: ASSUMPTION

If all or any part of the property or any interest thireds is sold or transferred by the Berrows: without Landor's prior written content, dasheding (s) the creation of the or electrolrapid subardinate to this focurity Instrument which does not relate to a transfer of right of company in the property; (b) the creation of a purchase meany security interest for household application, (c) a transfer by deries, destent or by operation of law upon the death of a joint tonant or (d) the graph of any lineahold interest of three years or lost not containing an option to purchase, Landor may at Landor's option, declare at the sums occared by this Security Instrument to immediately due and populse.

If Lander executes such eighten to assolvente, Lander thall mail Borrower motice of acceleration. Such notice shall provide a parted of not less than thirty (30) days from the date the notice is suched within which Borrower may pay the same declared date. If Borrower falls to pay such some prior to the implication of such period, Lander may, without further notice or demand on Borrower, involve my remodist permitted by here.

Lander may consent to a sale or transfer (i) Berrower enters to be submitted to Lander inflatment or rejuted by Lander to evaluate the transferre of if a new loss were being under to the transferre; (2) Lander reasonably determines that Lander's powerly will not be impered and that the risk of a breach of any coverant or agreement in this Security Instrument is acceptable; (3) Instruct will be payable on the stems secured by this Security Instrument, at a rate acceptable to Lander; (4) changes in the terms of the Note and this Security Instrument required by Lander are. made, including for example, periodic highestment in the interest rate, a different final payment date for the loon, and addition of tipolic interest to grincipal; and (5) the transferre signs to accompless agreement that is acceptable to Lander and that obligates the transferred this proprieties and agreement, as madified if required by Lander. To the extent permitted by applicable law, Lander also may charge a removable fit age a condition to Lander's constant to any sale or transfer.

Borrower(e) will muchane to be obligated under this Note and Scensily Instrument values Londer releases Berrewerts) in writing.

C. LEGISLATION

If, after the date hereof, enactment or expiration of applicable layer have the effect either of rendering the provisions of this Note, the Separity Instrument or this Adjustable Rate Rider (other than this Paragraph C) unembroughle according to their terms, or all or may part of the mann secured hereby uncellectable, as otherwise provided in the Security Instrument and this Adjustable Rate Rider, or of diminishing the value of Landar's security, their Londor, at Landar's option, may declare all same secured by the Respublic Instrument to the Respublic Instrument to the Respublic Instrument to the Security Instrument. by the Security Instrument to be immediately due and payable.

IN WITHES WHEREOF, Borrower(s) has (beve) executed this Adjustable Payment Rider the day and year first above welden:

| (REAL) | William Jishen |
|------------------|-------------------|
| (MAL) | William C. Richer |
| (BEAL) | |
| <u>, (S</u> EAL) | |

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EXHIBIT

D

ALL-STATE LEGAL

ADJUSTABLE PAYMENT DEED OF TRUST NOTE

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENTS

Martineville, Virginia and severalty pression(s) to pay to the Martineville Dispute Englaying Credit Union, Ibs. or Order without office principal state of 1500.00), with interest from the date of this Note, of the rate of five L one quye the payable at the office of the Martineville Dispute the principal and interest phall be payable at the office of the Martineville Dispute Employees Credit Union, Inc., P. O. Reg. 2150, Martineville, Virginia, in 180 successive and assessments of another transfer of the Interest of Inc., Inc Hoveightz 16 , 20 01 1. OBLIGATION OF SCREEN WERES on the lat day of lamager 10 1/2 , had in the lat day of their month the control principal and interior are fully paid, except that the entire indichadran criferated hereby, if not seemer paid, shall be due and payable on the lee day of December . 20 16. 2 NIEDZST (A) Repress Owid

Interest will be charged on that part of pictional which has not been paid. Interest will be charged beginning on the date of this Note and confining such that the date of this Note is not the date of this Note and confining such that the date of this Note is not the date of this Note and confining such that the date of this Note is not the date of the date of this Note is not the date of Beginning on the date of this Note, I (we) will one interest at a yearly rate of 5.25 %; this is the bise rate and shall reduce affective throughout the Equ.(30) (1) year period of the ideal amounted Mp of this lock. The rate of interest I (vi) will one will change or be adjusted at the and of the first year of the total asserthed geried, which in this case is 11 tons. (15) years. The rate of interest I (vi) one will change on the 1614 of the month of Movember.

20.02. and so that day interpretable, month thereafter. The bordinabove relievated clinique in the laterast rate shall edges at the end of such twistib (12⁸) month partial, and such changes in the interior rate in equal the prevailing interest and such changes in the interior rate in equal the prevailing interest charged by the Credit Union on similar mortings beans, has any fine or corcharges in existence, on the avoidal (12°) menth anothermory date. The rate of historist I (we) are required to pay shall diever increase on any single change date by more than two. (2) percentage points. Further, the interest rate will not be adjusted at any time (B) The Judez during the period envered by this contract to a rate which essents the best rate by more than gir. (AL.) gereenings points. My (out) interest rate shall sever be greater than 11.25%. The aforementioned language is intended, and shall be so construct, as establishing a celling on the maintains allowable interest rate charge of any one time. .. 3. PAYMENTS (A) There and Place of Payments

I (ive) will pay principal and interest by malding payments every menth. My (our) monthly payments over menth. My (our) monthly payments beginning to interest before principal. I (we) will make my (only) monitify payments on the lat day of each month legislating of James v. 20_02 . I (we) will make these payments every month until I (we) have past all of the principal and interest of the part and of the principal and interest of the part and the part and interest of the part and the part and interest of the part and the part an may other charges hereised or described that I (we) shay ove maser and rese. In this Plate on the masterity date, I (we) will pay those emounts in full on their flate. I (we) will make my (cor) meadaly payments at the effice of the Martineville DuPout Employees Gradit Union, Int., at P. Q. Rost 2158, Martineville, Virginia 24113, of at a different place if required by the Note Holder. In the event that the interest rate is adjusted, the Berrower (s) agine to inche payments in an amount sufficient to allow for the payment said sufficient in the step inches owing hereunder in accordance with the critically established multicity date as shown in Paragraph 1, above.

- 4. BORROWER'S RIGHT TO PREPAY Borrower(s) may prepay the principal amount outstanding in whole or is part.
- 5. LENDER'S OPTION TO EXTEND. SUSPEND. OR RENDGOTIATE MONTHLY PAYMENTS HEREINDER

HERECURDER
It is expressly understood by the parties hereto that Marrianville DuPont Employees Credit Union, Inh., shall have the option of providing the Borrowaris) with an extension of these within which to make any one or more of the above achillated payments upon hiting familyhid proof of an adequate and justifiable reason waterstop such an payments upon hiting familyhid proof of an adequate and justifiable reason waterstop such ampenden, and upon due and finisty request made by the Borrowaris) herein. Further, should the Borrowaris) be laid off for either, haplik or husbans reasons, or abould Botrowaris) find (hisself) (herself) (themselved) working short time, then the Londor shall have the igition of rewirking and reasgediating the terms and conditions of replayment harelessive set forth under Faragraph 1.

Not withintending such extension, suspension or re-negotialists of the payment as aforesaid, the within Note, is well as the Double Trust executed contains periods and the provide shall research in full force and either, and shall be legally binding; sind upon the happening of any of the aforesaid events, it shall not be necessary for the Rorrower(s) to re-execute new instruments or decementation sating their such modifications.

6. DEFAULT Explain the same in the payment of any initializated under this Note, the outles principal sum and account interest shall at once become the and payable without notice at the spiton of the helder of this Note. Influers to excite the upme in the event of any subsequent definit. Borrowards shall not a constitute a tradeor a late charge of the fire of any mouthly installment and received by the Note helder within ten (10) days after the installment is due.

| 7. | 7. SECURED PROPERTY This Note is securial by a | in described. The farms, sevenints, condition rust contained are harely made a part bereaf | n, previolena |
|-----------|--|--|--------------------------------------|
| 8, | PRESENTRENT, PROTEST AND NOTIC Presentaging Notice of Dishonor, and Protect a herrof. The drawers and emiscours of this Note This Note shall be the joint and several obligati bluding upon them and their successors and an | re harbly welved by all inalises, sarelles, gue q also vielve the hanell of the homestead exem on of all malters, surelles, guncunters and and | اطقاء طبال جه مد مندکس |
| 9. | ATTORNEY'S FEES If this Note to not paid at materity, and is solling pay, in addition to the amount of this Note, Jake Attorney's fees. | aid by sult or Atterney, the makers self enders on (15%) percent collection feet, tigother wit | rsem heivel agree to h rynoogabbo |
| | Address 3697 Oak Lavel Road | William ficker | (BEAT.) |
| | This is to certify that this is the Adjustable Pays Trust dateHovenbox_15 | nent Deed of Trust Nate described in paid stor | pred by a Bood of , Virginia. |
| | My commission expires. <u>Hovenber 30, 2004</u> | | |
| | | noting M. Reighten | |